

Montgomery County Council

From the Office of Councilmember Nancy Floreen

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Montgomery County Councilmember Nancy Floreen Introduces Carbon Surtax Based on Greenhouse Gas Generation

ROCKVILLE, Md., April 15, 2008—Montgomery County Councilmember Nancy Floreen today introduced a carbon surcharge resolution that is based proportionally on the greenhouse gas generation of particular fuels. Under this proposal, the electricity and oil rates would increase by 10 percent while natural gas and propane would rise by just 5 percent.

Councilmember Floreen stated: "Weighting the rates of our fuel energy tax on the contribution of that source to the production of carbon dioxide and other 'greenhouse gases' would better reflect the environmental impact from each. I am proposing this carbon surtax to ensure that we focus our fuel energy taxing efforts on those uses that are proportionally more destructive to the environment, while at the same time creating a predictable revenue source that can be consistently channeled to our energy conservation and greenhouse gas reduction goals.

"Under the rates I have proposed, the average homeowner would pay less than \$10 for the entire year, but the County would gain about an additional \$11 million in revenues. It's not enough to do any harm to residents' pocketbooks, but it would help keep us on track to preserve our existing environmental initiatives.

"I do not believe that this fiscally challenged year is the time to propose new programs to be funded by this new carbon surcharge. But it is the right time to make sure we preserve those initiatives that will get us closer to our energy conservation goals and establish a structure for future energy conservation and efficiency initiatives."

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